

Message Text

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TAGS: ALAB EAGR SG

SUBJ: SENEGAL'S NEW WAGE PRICE POLICY

MONROVIA FOR RIESZ

SENEGALESE FINANCE MINISTAR BABACAR - ANNOUNCED GOVERNMENT'S NEW WAGE AND PRICE POLICY IN RADIO SPEECH SATURDAY AUGUST 4. NEW MEASURES WILL EFFECT ENTIRE POPULATION, BOTH URBAN AND RURAL. PRICES OF BASIC COMMODITIES WILL RISE BUT INCOME OF BOTH WORKERS AND FACMERS WILL ALSO RISE AND INCREASE PURCHASING POWER.

1. CONSUMER PRICES:

BA ANNOUNCED GOS WAS DECREASING ITS SUBSIDIES FOR BASIC COMMODITIES ON LOCAL MARKET. CITIING RISE IN WORLD PRICES FOR COMMODITIES SUCH AS WHEAT AND RICE, SAID GOS COULD NO LONGER AFFORD TO SUBIDIZE LOCAL CONSUMERS. CITED SUBSIDY BILL FOR RICE OF 6BILLION FRANCS CFA (\$30 MILLION) PER YEAR. EFFECTIVE AUGUST 6 RETAIL PRICE OF RICE RAISED FROM 40 TO 60 FRANCS. BA NOTED THAT PRICE TO GOS IS 68 FRANCS, THUS SLIGHT SUBSIDY WILL CONTINUE. PRICE OF BREAD RAISED FROM 25 TO 28 FRANCS DUE TO ABOLITION BY EEC OF ITS SUBSIDY TO WHEAT EXPROTERS.

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2. FARM PRICES:

TO HELP FARMERS WHO HAVE BORN BRUNT OF DROUGHT, PRICES PAID TO FARMERS FOR AGRICULTURAL PRODUCTS RAISED. PRICE RISES FOR BASIC AGRICULTURAL CROPS ARE AS FOLLOWS:
MILLET FROM 17 TO 25 FRANCS PER KILO, RICE FROM 21 TO 25 FRANCS PER KILO, CORN FROM 21 TO 25 FRANCS PER KILO, NIEBE BEANS FROM 20 TO 23 FRANCS PER KILO, AND TOMATOES FROM 7 TO 10 FRANCS PER KILO. PEANUT, WHICH EARNS 50 PER CENT OF SENEGAL'S FOREIGN EXCHANGE, PRICES ALSO RAISED. BASIC PRICE FOR OIL PEANUTS RAISED FROM 23.1 TO 25.5 FRANCS PER KILO. PRICES FOR EDIBLE GREEN SHELLED PEANUTS RAISED FROM 38 TO 40 FRANCS AND UNSHELLED EDIBLE PEANUTS OF CLASSES A, B AND C ARE RAISED ONE FRANC FROM PREVIOUS LEVELS OF 27, 25 AND 23 FRANCS PER KILO RESPECTIVELY.
AS FUTHER MOVE TO IMPROVE SITUATION OF FARMERS, BA ANNOUNCED GOS REMOVING HEAD TAX ON ANIMALS.

3. WAGE AND SALARY INCREASES:

THE MINISTER ALSO ANNOUNCED AN INCREASE IN THE MINIMUM WAGE (SMIG-SALAIRE MINIMUM INTERPROFESSIONEL GARANTI), AFFECTING ALL URBAN WAGE EARNERS. EFFECTIVE SEPTEMBER 1, THE OVERALL INCREASE WOULD AMOUNT TO 15 PERCENT, THE FIRST SUCH ACROSS THE BOARD INCREASE FOR SENEGALESE WORKERS SINCE JULY 1968. THE LOWEST-PAID GROUP OF WORKERS (UP TO 180,000 CFA, APPROX \$900 PER YEAR) WILL GET A 15 PER CENT INCREASE, WHILE WAGES FOR WORKERS AT THE TOP OF THE SCALE (280,000-360,000 APPROX \$1400-1800 PER YEAR) WILL INCREASE BY 4 PER CENT. IN THE MIDDLE RANGE, WORKERS EARNING UP TO 220,000 CFA (APPROX \$1100) PER YEAR WILL EARN 10 PERCENT MORE AFTER SEPTEMBER 1, AND THOSE RECEIVING UP TO 280,000 CFA (APPROX \$1400) PER YEAR WILL GET AND 8 PER CENT INCREASE.
LOWER AND MIDDLE RANK CIVIL SERVANTS WILL RECEIVE PAY HIKES RANGING FROM 8 PERCENT TO 15 PERCENT AS SOON AFTER SEPTEMBER 1 AND THE

NECESSARY CALCULATIONS FOR EACH OF THE NUMEROUS SALARY LEVELS AFFECTED CAN BE DETERMINED. IN THE MEANTIME, CIVIL SERVANTS WILL RECEIVE AN "INDEMNITE D'ATTENTE", AN AMOUNT NEARLY EQUAL TO THE SALARY INCREASE, TO TIDE THEM OVER UNTIL THE CALCULATIONS ARE COMPLETED. NO SALARY INCREASES FOR UPPER LEVEL CIVIL SERVANTS WERE ANNOUNCED.

THE GOS ECONOMIC RE-ADJUSTMENT POLICY ALSO INCLUDES A SUBSTANTIAL PUBLIC WORKS EFFORT CALUCLATED TO CREATE NEW EMPLOYMENT. THE PLAN CALLS FOR EXPENDITURE OF 1,500,000,000 CFA (APPROX \$7.5
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MILLION) OVER THE NEXT SIX MONTHS TO BE SPENT ON SUCH PROJECTS AS ROAD CONSTRUCTION, PUBLIC HOUSING, WELL DRILLING, AND OTHER WORKS TO IMPROVE THE WATER SUPPLY.
AS THE ANNOUNCEMENT OF THE GOS' NEW POLICY WAS MADE OVER THE WEEKEND, THERE HAS BEEN NO PUBLIC COMMENT BY THE CNTS OR OTHER LABOR UNION LEADERSHIP CONCERNING THE WAGE INCREASES AS YET.
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